# Henry E. Crawford

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May 11, 1998

#### **BY HAND DELIVERY**

Ms. Magalie R. Salas, Secretary Federal Communications Commission 1919 M Street, N.W. Room 222 Washington, D.C. 20554

Re:

In the Matter of

Amendment of Section 73.202(b) Table of

Allotments FM Broadcast Stations

Tylertown, Mississippi

File No.: MM Docket No. 97-45; RM-8961

Dear Ms. Salas:

On Friday, May 8, 1998, TRL Broadcasting Company ("TRL Broadcasting") filed an "Opposition to Petition for Reconsideration and Motion for Stay." As noted in the filing, a communications problem prevented TRL Broadcasting from filing copies of all of the attached declarations.

At this time, TRL Broadcasting is submitting copies of the Declarations of Ryan E. Henderson, Roy E. Henderson and Suzanne Henderson.

Should any additional information be required, please contact this office.

Very truly yours,

Henry E. Crawford

Counsel for

TRL Broadcasting Company

cc: John A. Karousos, Chief Allocations Branch Pamela Blumenthal, Allocations Branch Carl R. Ramey, Esa.

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#### DECLARATION

I, Ryan E. Henderson, under penalty of perjury, hereby state and declare the following:

- 1. I am the son of Mr. Roy E. Henderson.
- On December of 1996, Lattended a meeting with my father in Baton Rouge, Louisiana. The meeting was with principals of Guaranty Broadcasting Corporation ("Guaranty")
- 3. I have reviewed the statements made by my father in his May 8, 1998 Declaration concerning the December meeting with Guaranty. To the best of my knowledge, the matters stated by my father in the Declaration pertaining to that meeting are true.
- 4. My father did not threaten Guaranty in any way through the use of FCC fillings or by any other means. He did not threaten economic harm to any of Guaranty's stations. My overall impression was that both the people from Guaranty and my father were working together in a very cooperative way.

The above statements of fact are true and correct to the best of my own personal knowledge and belief.

Signed and dated this 8th day of May, 1996/

Ved sel

## **DECLARATION**

- I, Suzanne Henderson, under penalty of perjury, hereby state and declare the following:
  - 1. I am Mr. Roy E. Henderson's spouse.
- 2. On March 7, 1997, I attended a meeting with my husband in Baton Rouge, Louisiana. The meeting was with principals of Guaranty Broadcasting Corporation ("Guaranty").
- 3. I have reviewed the statements made by my husband in his May 8, 1998 Declaration concerning the March 7, 1997 meeting with Guaranty. To the best of my knowledge, the matters stated by my husband in the Declaration pertaining to that meeting are true.
- 4. In particular, I never understood my husband to threaten any harm to Guaranty through the use of any filings with the FCC or otherwise.
- 5. My husband did not use the phrase "swallowing a chicken bone" or anything like it to signify any sort of threat or harm to Guaranty.

The above statements of fact are true and correct to the best of my own personal knowledge and belief.

Signed and dated this 8th day of May, 1998.

uzanne Henderson

### **DECLARATION**

- I, Roy E. Henderson, under penalty of perjury, hereby state and declare the following:
- 1. I am a broadcaster with over 25 years experience as a Commission licensee. My record before the Commission as an applicant and licensee is without a single blemish.
- 2. I am the sole proprietor of Amelia Broadcasting and TRL Broadcasting Company. I have never tried to hide my roles in these companies. I frequently use business aliases for broadcast ventures in order to attract local advertisers who may be wary of out-of-town group owners. I also use business aliases in order to deter unscrupulous speculators seeking to profit in markets which I have worked to develop.
- 3. I have always complied with the Commission's disclosure rules and have disclosed my ownership in all applications filed before the Commission. I have never been the "real party-in-interest" in any broadcast application whether disclosed or undisclosed and no other party has ever been a real party in-interest in any broadcast application that I have been involved in.
- 4. Sometime in the late Summer-Early Fall of 1996, I became interested in several Louisiana FM radio markets. The Spanish language radio format which I have successfully developed in other markets was not fully represented in southern Louisiana, particularly, New Orleans.
- 5. In researching the market, I discovered that KCIL-FM, Houma, Louisiana would be ideal for presenting Spanish language programming in southern Louisiana. I contacted, George A. Foster, Jr. for the purpose of discussing a sale of the station. Mr. Foster agreed to discuss the situation and invited me to meet with him at the offices of Guaranty Broadcasting Corporation ("Guaranty") in Baton Rouge, Louisiana.

- 6. In November of 1996, I flew to Baton Rouge to talk with Mr. Foster. This meeting was largely for purpose of getting to know each other. I found Mr. Foster to be engaging and eager to discuss our mutual interests. My overall impression was that Guaranty was interested in working together with me in several areas of mutual interest. During this meeting, Mr. Foster asked if I was interested in buying a station that he had purchased in Chillicothe, Ohio. Mr. Foster related that the station had been purchased it for the sole purpose of moving it to Columbus, Ohio. However, oppositions had been filed to the plan and he wished to sell the station. I advised Mr. Foster that I was not interested in the Columbus, Ohio market.
- 7. My next contact with Guaranty was a telephone call I received from Mr. Foster asking me to come to another meeting at Guaranty's offices on December 10, 1996. Mr. Foster advised me that he wanted to further discuss my offer to buy KCIL-FM.
- 8. My goal was still to purchase KCIL-FM, expand the station's signal to be as close to New Orleans as possible and present Spanish programming. In anticipation of the meeting, I has several engineering studies prepared involving the cities of Amelia, Baker, Hammond and Picayune, Louisiana as well as Tylertown, Mississippi. The reason for preparing these studies was to see if my interests and those of Guaranty could be used together in a mutually beneficial manner. I came to the meeting with documentation prepared to show how several Guaranty properties could be improved. This was valuable business information which I was prepared to share with Guaranty as part of a good faith effort to move jointly into these areas.
- 9. I attended the December meeting along with my son, Brian
  Henderson. The meeting was arranged by Mr. Foster, at his invitation and took
  place at the Guaranty's offices in Baton Rouge.

- 10. During the meeting I openly discussed my ongoing rulemaking proposal for Amelia, Louisiana. I believed that once constructed and possibly upgraded, this station would be able to cover the Hispanic community around New Orleans. It would also cover much of the same market as Guaranty's station, KCIL. Therefore, I discussed with Mr. Foster the idea that I would obtain the license for the Amelia facility and then essentially swap the facility with Guaranty. I would pay Guaranty \$2 million under this scenario Guaranty would take their accounts, programming and equipment for use in Amelia. Guaranty favored a figure closer to \$6 million, but did not make a firm offer.
- upgrade the Baker facility (WTGE-FM). It appeared from my research that the only impediments to this upgrade involved a station in Hammond, Louisiana (WHMD-FM), and 2) an ongoing rulemaking in which I had proposed a new Class A facility in Tylertown, Mississippi. I seemed to me that if Guaranty was able to get the cooperation of the Hammond station, I would be willing to withdraw my Tylertown rulemaking as part of an overall deal that would include obtaining KCIL. I was then informed, for the first time, that Guaranty had already purchased the Hammond station and that the sole purpose of buying the station was to move it in order to get an upgrade of WTGE-FM. I was further told that Guaranty's sole purpose in buying the Baker station was to make it another Baton Rouge facility.
- 12. Prior to being advised by Guaranty's principals, I had never been advised by anyone at Guaranty or otherwise of its plans in this regard.
- 13. I never made any mention of possible competitive harm to Guaranty's facility in Houma. I was at all times proceeding with a good faith understanding that we could both benefit from the allotment at Amelia.

- 14. This meeting ended cordially and I understood that Mr. Foster would review my proposals and contact me for a further meeting with Guaranty's board.
- 15. Sometime in early March or late February of 1997, I did receive a telephone call from Mr. Foster. The purpose of the call was to invite me to a meeting to take place on March 7, 1997 at Guaranty's offices in Baton Rouge, Louisiana.
- 16. I understood that the meeting would involve my standing offer to purchase KCIL-FM. Mr. Foster expressed his interest in selling KCIL-FM, Houma, Louisiana for \$6 Million.
- 17. Having been involved in several broadcast negotiations in the past, I specifically requested at the outset of the March 7, 1997 meeting, and Guaranty verbally agreed, that the substance of our talks would remain confidential. The purpose of the confidentiality request was to allow us to speak freely and explore all avenues to resolve the issues.
- at the time to be good faith negotiations involving Guaranty's broadcast properties. As our substantive talks progressed, I raised the topic of the Amelia and Tylertown rulemaking proceedings, which had been ongoing for several months prior to the meeting. The purchase of any one of the FM stations would impact those requested allocations. If I were able to purchase an existing broadcast property in the relevant market, this would obviate the need to seek an allotment. I was prepared to make whatever accommodations Guaranty sought in order to obtain a facility capable of bringing Spanish language radio to southern Louisiana.
- 19. Guaranty went over our plan to obtain the Amelia facility and as a swap for KCIL-FM. As I understood Guaranty's position, it would sell me the

equipment and the license, taking with it the call letters, the accounts and all of the station's good will. I would even be barred from using the same format under the terms of an agreement not to compete. I would do Spanish language programming and Guaranty would have exclusive rights to its existing format at the Amelia facility. Given the conditions of the sale as outlined by Guaranty, I could only offer \$2 million for the station. Guaranty would be getting significant compensation by virtue of the Amelia facility and the exclusive rights agreement.

- 20. Although I initially provided a bottom figure of \$2 million for KCIL-FM, Guaranty, throughout the negotiations, never seriously proposed a firm counter-offer. All of their suggestions as to price were qualified. Since Guaranty never counter-offered, it never learned how much I was willing to pay for KCIL-FM. Therefore, although I believe that \$2 million would have been fair as stated above, Guaranty cannot claim that I demanded any sort of discounted price for the station since they never sought to discover how much I was actually willing to pay for the facility.
- 21. I never threatened or implied that I wished to cause damage to Guaranty. Since I was trying to enter radio markets in which Guaranty was already established, I believed that we would be competitors. However, I understood such competition to be healthy for the market. I purposefully sought out the cooperation of Guaranty, and provided it will confidential business information, in order to minimize any hostility that might arise between us.
- 22. I have never used the phrase "swallowing a chicken bone" or any similar metaphor to describe any situation involving Guaranty.
- 23. I have been intent throughout the proceeding to obtain and construct a new FM facility at Tylertown, Mississippi. I will apply for that station in the event that the Commission opens it up for applications.

- 24. I always intended to construct a new FM facility at Amelia,
  Louisiana and would have applied for the channel had I been successful in the
  rulemaking.
- 25. I have been involved in numerous rulemakings before the allocations branch and I have never failed to apply for a construction permit in a rulemaking in which I have been successful in obtaining the desired channel.

The above statements of fact are true and correct to the best of my own personal knowledge and belief.

Signed and dated this 8th day of May, 1998.